

**UMVOTI
MUNICIPALITY**

MUNICIPAL MANAGER'S OFFICE

P O BOX 71

GREYTOWN, NATAL

3250

TELEPHONE

(033) – 4139100

FINANCIAL STATEMENTS

FOR THE YEAR ENDING

30 JUNE 2005

AFTER AUDIT

**KwaZulu-Natal Government
Provincial Treasury**

2005 -12- 07

**PO BOX 3613
PIETERMARITZBURG 3200**

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GENERAL INFORMATION

MEMBERS OF THE EXECUTIVE COMMITTEE

Councillor	P M Ngubane	:	Mayor, Exco. Chairperson
Councillor	O T Zondi	:	Exco Member
Councillor	S Zondi	:	Exco Member
Councillor	T Z Ngubane	:	Exco Member
Councillor	R Maharaj	:	Speaker

GRADING OF LOCAL AUTHORITY

GRADE SIX (6)

AUDITORS

OFFICE OF THE AUDITOR-GENERAL

BANKERS

FIRST NATIONAL BANK OF SOUTH AFRICA LIMITED

REGISTERED OFFICE

106 PINE STEET
Greytown
3250

TELEPHONE

033-4139100

ACTING MUNICIPAL MANAGER

I J M ARCHER

FINANCIAL MANAGER

S D van der MERWE : Registered Municipal Accountant (Associate)

MEMBERS OF THE UMVOTI MINICIPAL COUNCIL

PR	:	P M S NGUBANE
PR	:	O T ZONDI
PR	:	TZ NGUBANE
PR	:	T GCISA
PR	:	J NGOBESE
PR	:	A M SHAIKH
PR	:	M THWALA
PR	:	P B NDIMANDE
PR	:	S DLOMO
W1	:	M J ZUMA
W2	:	I MOOLLA
W3	:	R ACUTT
W4	:	D DHLADHLA
W5	:	M YENGWA
W6	:	S SHANGASE
W7	:	M SHANGE
W8	:	S ZONDI
W9	:	E NGCOBO
W10	:	R MAHARAJ
W11	:	MB MBATHA
MAYOR	:	P M S NGUBANE
DEPUTY MAYOR	:	VACANT

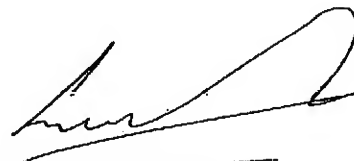
APPROVAL OF FINANCIAL STATEMENTS

The annual Financial Statements set out on page 01 to 24 were approved by the Acting Municipal Manager on 18th July 2005 and presented to and approved by Council on 29th September 2005



ACTING MUNICIPAL MANAGER
(Accounting Officer)

18 July 2005



CHIEF FINANCIAL OFFICER
Municipal Accountant
(Associate)
18 July 2005

FINANCIAL MANAGERS REPORT

1. Financial Statement Ratios

	2004	2003
	R	R
Unappropriated surplus at the beginning of the year	11 611 570	12 134 029
Asset write off	(4 155)	
Surplus (deficit) for the year	(417 055)	449 176
Appropriations	39 088	(971 635)
Unappropriated Surplus at year end	11 229 448	11 611 570

Personnel Costs	43%	40%
General Expenses	34%	36%
Repairs And Maintenance	6%	9%
Depreciation	11%	9%
Capital Charges		
Contributions	2%	7%
Bulk Purchases: Electricity	19%	17%
Recharges	(15%)	(18%)
Total Expenses	100%	100%

2. POST BALANCE SHEET EVENTS

The responsibility for rendering sanitation and water services has been transferred to Umzinyathi District Municipality. Fixed assets and inventory have been written off and transferred to the District Municipality.

During the year under review, the council continued to provide a consumer billing service on behalf of the District Municipality. This agreement has been terminated and the remaining assets and liabilities related to water and sanitation will be transferred during the ensuing year.

3. RECONCILIATION OF BUDGET TO ACTUAL RESULTS

3.1 Operating Budget

	R
Budget Deficit Before Appropriations	(5 523 838)
Revenue Variances	312 860
Expense Variances - Personnel Costs	1 672 051
- General Expenses	2 965 150
- Electricity Purchases	10 817
- Repairs And Maintenance	416 646
- Depreciation	227 948
- Capital Charges	
- Contributions	(281 095)
- Recharges	(217 594)
Actual Deficit Before Appropriations	(417 055)

The positive revenue variance was mainly due to increased income from interest on investments, an admin fee charged for rendering water services to Uthukela water, sale of assets, learner's license and driver's license applications.

Major variations from the expenditure budget are explained hereunder:

(a) Personnel Costs - this saving is mainly due to vacant posts and temporary vacancies.

(b) General expenses

- Rural Area Expenditure: overprovision
- Civic Honour Function: Council resolved to carry forward this budget to the ensuing year.
- Tourism: delay in appointment of tourism officer.
- Bank Charges: under provision
- Consultants/ contractors: under provision
- Delegation Fees – under provision
- Departmental Water and Sewer under provision
- Indigent Support: Not all indigent registered thus resulting in an overprovision
- Insurance: under provision
- Workmens Compensation: Assessment for the year has not yet been received.

(c) Repairs and Maintenance – Repairs not carried out due to staff shortages

(d) Depreciation – over provisions

(e) Contributions – increased provision for doubtful debts resulted in the excess.

3.2 Capital Budget

DESCRIPTION	BUDGET	ACTUAL	VARIANCE
Land	2 185 000	1 920 692	264 308
Security Measures	289 000	19 450	269 550
Buildings	4 390 250	2 550 540	1 839 710
Air conditioners	50 000	47 570	2 430
Professional Fees	161 318	39 200	122 118
Construction Works	16 968 485	20 971 297	(4 002 812)
Electricity Reticulation	1 357 094	838 602	518 492
Streetlights	70 000	61 266	8 734
Furniture	238 290	87 513	150 777
Office and Acc. Mach	393 956	379 605	14 351
Tools	194 500	57 164	137 336
Machinery	56 310	40 963	15 347
Vehicle & Tractor	100 000	0	100 000
Radios	35 500	32 235	3 265
Total	26 489 703	27 046 097	(556 394)

The savings are mainly due to delays in planning or arranging funding. The excess on construction works is due to MIG funding that was directed to the Municipality for the construction of the Engoje Bridge.

4. Financial forecast for the forthcoming year.

A summary of the 2006 operating budget is as follows:

Service	Actual 2005 Surplus (Deficit)	Budget 2006 Surplus (Deficit)
Cleansing	(641 862)	(1 161 945)
Electricity	87 069	(8 313)
Farms	1 418 086	1 455 836
Housing	3725	1 800
Rates and General	(1787594)	(5 665 470)
Vehicle testing and Licensing	503521	275 824
Surplus (Deficit) Before Appropriations	(417 055)	(5 102 268)
Appropriations	34 933	5 102 268
(Deficit) Surplus (after appropriation)	(382 122)	0

5. CAPITAL BUDGET

A summary of the 2006 capital budget is as follows:

	2006 Budget	2005 Actual
Community Services	12 840 150	21 747 979
Subsidised Services	13 465 238	3 909 922
Economic Services	108 000	425 077
Housing Services		
Trading	1 388 500	963 119
Total Capital Requirement	27 801 888	27 046 097

6. INTER-GOVERNMENTAL GRANTS RECEIVED AND UTILISED AS FOLLOWS:

Operating Grants

DESCRIPTION	AMOUNT
Equitable Share Utilized to fund Operating Expenses	6 033 426
Museum	55 000
Finance Management	25 946
Basic Services	626 856
Planning	250 000
Local Economic Development	100 000
Clinic and Health	727 202
Roads	21 350
Sundry Grants	50 000
Total	7 889 780

Unspent operating grants are reflected as creditors (refer note 12 to the financial statements).

Capital Grants

DESCRIPTION	AMOUNT
Engoje Bridge	6 894 133
Cemetery	469 625
Projects – Rural Areas	6 500 000
Library Equipment	116 741
Greytown Taxi Rank	2 969 285
Basic Services	968 107
Land Use Management	50 000
Total	17 967 891

Unspent capital grants are included in Non-Distributable Reserves (refer note 2 to the financial statements).

7. SALE IN EXECUTION OF PROPERTY TO RECOVER ARREAR RATES

A dispute arose during the past year regarding the sale in execution of a ratepayer's property.

The dispute relates to the procedures followed and the involvement of a municipal employee in the sale process. The Council subsequently appointed forensic auditors' to investigate this matter. The investigators could not find evidence of wrong doing on the part of the Council nor its officials.

The MEC for Local Government (KZN) also appointed investigators/forensic auditors after receipt of said report. Council resolved to refer this matter to the National Prosecuting Authority for any action they deem appropriate. To date no legal action relating to this case has been instituted against the Council.

ACCOUNTING POLICY

1. BASIS OF PRESENTATION

- 1.1 These financial statements have been prepared so as to conform to the Generally Accepted Municipal Accounting Principles.
- 1.2 The financial statements have been prepared on the historical cost basis.

2. INVESTMENTS

- 2.1 Investments are stated at cost, less amounts written off.
- 2.2 Investments are written down to give recognition to a permanent decline in value.

3. PROPERTY, PLANT AND EQUIPMENT

- GAMAP 113

- 3.1 Property, which includes investment properties, plant and equipment, is stated at cost, less accumulated depreciation.
- 3.2 Major improvements to buildings, plant and equipment are capitalised. Maintenance and repairs are expensed when incurred.
- 3.3 Heritage assets, defined as culturally significant resources, are not depreciated.
- 3.4 Depreciation is calculated on cost, using the straight line method over the estimated useful lives of the assets. The depreciation rates are based on the following estimated asset lives:-

	<u>Years</u>		<u>Years</u>
Infrastructure	10 – 20	Other	
Roads and paving	10 - 20	Buildings	30
Water	20	Specialist vehicles	7
Sewerage	20	Other vehicles	7
Housing	30	Office equipment	5
		Furniture and fittings	10
		Bins and containers	5
		Plant and equipment	5 - 7

ACCOUNTING POLICY (continued)

	<u>Years</u>		<u>Years</u>
Community		Investment Properties	30
Improvements	30		
Recreational Facilities	20 – 30		
Security	5		

4. RETIREMENT BENEFITS - GAMAP 110

The municipality provides retirement benefits for its employees and councillors. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year they become payable. The defined benefit funds, which are administered on a provincial basis, are actuarially valued triennially on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on a proportional basis to all participating local authorities.

5. REVENUE RECOGNITION - GAMAP 106

- 5.1 Revenue from rates is recognised when the legal entitlement to this revenue arises. Collection charges are recognised when such amounts are legally enforceable. Interest on unpaid rates is recognised on a time proportion basis.
- 5.2 Service charges relating to electricity and water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period when meters have been read. These adjustments are recognised as revenue in the invoicing period.
- 5.3 Revenue from the sale of goods is recognised when the risk is passed to the consumer.
- 5.4 Revenue arising from the application of the approved tariff of charges is generally recognized when the relevant service is rendered.

ACCOUNTING POLICY (continued)

- 5.5 Interest and rentals are recognised on a time proportion basis that takes into account the effective yields on assets.
- 5.6 Revenue from spot fines is recognised when payment is received, and the revenue from the issuing of summonses is recognised when collected.
- 5.7 Amounts received from government and donors for the purpose of acquiring items of property, plant and equipment are classified as capital receipts and credited to non-distributable reserves. These amounts are released to the income statement over the estimated life of the item of property, plant and equipment acquired.

6. INTERNAL FINANCING OF PROPERTY, PLANT AND EQUIPMENT - GAMAP 114

In order to finance the provision of infrastructure and other items of property, plant and equipment, amounts are set aside from unappropriated surpluses in the Asset Financing Fund (AFF). The cash in the AFF is invested until utilised.

7. INVENTORIES -GAMAP 104

- 7.1 Consumable stores, raw materials, work-in-progress and finished goods are valued at the lower of cost and net realizable value. The basis of determining cost is the weighted average method.
- 7.2 Redundant and slow-moving inventories are identified and written down with regard to their estimated economic or realisable values. Consumables are written down with regards to their age, condition and utility.

BALANCE SHEET AS AT 30 JUNE 2005

	NOTE	2005	2004
CAPITAL EMPLOYED			
STATUTORY FUNDS	1	23,500,885	13,535,345
NON DISTRIBUTABLE RESERVES	2	87,357,171	81,565,505
DISTRIBUTABLE RESERVES		11,632,048	12,014,170
Unappropriated Surplus		11,229,448	11,611,570
Reserves	3	402,600	402,600
LONG TERM LIABILITIES	4		
CONSUMER DEPOSITS	5	1,406,680	1,356,454
		<u>123,896,784</u>	<u>108,471,474</u>
EMPLOYMENT OF CAPITAL			
PROPERTY PLANT AND EQUIPMENT	6	83,489,300	73,141,075
INVESTMENTS	7	44,349,894	34,641,119
LONG TERM DEBTORS	8	231,603	314,827
NET CURRENT ASSETS		(4,174,013)	374,452
CURRENT ASSETS		7,100,126	6,303,288
DEBTORS: CONSUMERS	10	5,477,305	4,945,212
: OTHER	11	1,061,187	827,133
CASH RESOURCES		1,925	20,056
STOCK	9	559,709	510,887
CURRENT LIABILITIES		11,274,139	5,928,836
PROVISIONS	26	1,057,585	1,050,059
CREDITORS	12	9,896,652	4,878,777
BANK OVERDRAFT		319,902	
LOANS: SHORT TERM PORTION OF LOANS	4		
		<u>123,896,784</u>	<u>108,471,474</u>

UMVOTI MUNICIPALITY

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2005

2004 ACTUAL INCOME	2004 ACTUAL EXPENDITURE	2004 SURPLUS (DEFICIT)		NOTE	2005 ACTUAL INCOME	2005 ACTUAL EXPENDITURE	2005 SURPLUS (DEFICIT)	2005 BUDGET
26,174,084	26,583,237	(409,153)	RATE AND GENERAL SERVICES		25,996,759	27,922,694	(1,925,935)	(6,440,280)
19,571,545	15,185,426	4,386,119	COMMUNITY SERVICES		20,879,962	17,202,607	3,677,355	359,672
1,077,295	5,472,959	(4,395,664)	SUBSIDISED SERVICES		1,119,080	6,161,186	(5,042,106)	(5,811,469)
5,525,244	5,924,852	(399,608)	ECONOMIC SERVICES		3,997,717	4,558,901	(561,184)	(988,483)
15,511,577	14,653,831	857,746	TRADING SERVICES		13,300,133	11,794,978	1,505,155	914,538
1,408	826	582	HOUSING SERVICES		4,976	1,251	3,725	1,904
41,687,069	41,237,894	449,176			39,301,868	39,718,923	(417,055)	(5,523,838)
	449,176		NET SURPLUS(DEFICIT) BEFORE APPROPRIATIONS	15			(417,055)	
	12,134,029		UNAPPROPRIATED SURPLUS AT BEGINNING OF THE YEAR				11,611,570	
	41,311		APPROPRIATIONS					
	(5,000,000)		PRIOR YEAR ADJUSTMENTS				(4,000,000)	
	350,790		TRANSFER TO ASSET FINANCING FUND	24			(4,155)	
			AUDIT PROVISION WRITTEN BACK				(279,285)	
			ASSET WRITE OFF				1,729,574	
	(197,408)		INTEREST TRANSFERRED TO HOUSING DEVELOPMENT ACCOUNT				2,588,799	
	2,071,216		TRANSFER FROM ASSET FINANCING FUND				11,229,448	
	1,762,456		TRANSFER FROM NON DISTRIBUTABLE RESERVES	2				
	11,611,570		ACCUMULATED SURPLUS AT YEAR END					

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2005

	NOTE	2005	2004
CASH FLOW FROM OPERATING ACTIVITIES			
CASH RECEIPTS FROM RATEPAYERS, GOVERNMENT AND OTHER		36,827,816	37,332,492
CASH PAID TO SUPPLIERS AND EMPLOYEES		(31,504,667)	(34,400,935)
CASH GENERATED FROM OPERATIONS	18	5,323,149	2,931,557
INTEREST RECEIVED	23	2,776,580	2,901,316
INTEREST PAID			(29,733)
NET CASH FROM OPERATING ACTIVITIES		8,099,729	5,803,140
CASH FLOWS FROM INVESTING ACTIVITIES			
PURCHASE OF PROPERTY, PLANT AND EQUIPMENT		(27,046,097)	(6,852,764)
RECEIPTS FROM LONG TERM DEBTORS		95,790	208,857
NET CASH FROM INVESTING ACTIVITIES		(26,950,307)	(6,643,907)
CASH FLOWS FROM FINANCING ACTIVITIES			
LOANS REPAYED			(470,000)
INCREASE IN CONSUMER DEPOSITS		50,226	73,462
CAPITAL RECEIPTS		28,171,091	6,296,139
NET CASH FROM FINANCING ACTIVITIES		28,221,317	5,899,601
NET INCREASE IN CASH AND CASH EQUIVALENTS	19	9,370,739	5,058,834

NOTES TO FINANCIAL STATEMENTS AT 30 JUNE 2005

1 FUNDS

	2005 R	2004 R
ASSET FINANCING FUND	10,431,503	10,937,535
HOUSING DEVELOPMENT ACCOUNT	13,069,382	2,597,810
TOTAL STATUTORY FUNDS	23,500,885	13,535,345

ASSET FINANCING FUND

MOVEMENT IN THE FUND IS RECONCILED AS FOLLOWS

BALANCE AT BEGINNING OF YEAR	10,937,535	8,042,118
CONTRIBUTIONS RECEIVED	4,000,000	5,000,000
CASH UTILISED TO FINANCE PROPERTY, PLANT AND EQUIPMENT	(4,506,032)	(2,104,583)
BALANCE AT THE END OF THE YEAR	10,431,503	10,937,535

THE PURPOSE OF THE ASSET FINANCING FUND IS TO SET ASIDE CASH TO FINANCE FIXED ASSET ADDITIONS FROM INTERNAL SOURCES. THE CONTRIBUTION TO THE AFF IS BASED ON FINANCING REQUIREMENTS DETERMINED IN THE INTEGRATED DEVELOPMENT PLAN. WHEN CASH IS USED TO FINANCE PROPERTY, PLANT AND EQUIPMENT, A CORRESPONDING AMOUNT IS TRANSFERRED TO A NON-DISTRIBUTABLE RESERVE (SEE NOTE 2).

UNUTILISED CASH IS INVESTED AS SET OUT IN NOTE 7

HOUSING DEVELOPMENT ACCOUNT

MOVEMENTS ARE RECONCILED AS FOLLOWS

BALANCE AT BEGINNING OF YEAR	2,597,810	2,408,319
INTEREST RECEIVED	279,285	197,408
GRANTS RECEIVED	10,203,200	
APPROPRIATED	(10,913)	(7,917)
BALANCE AT THE END OF THE YEAR	13,069,382	2,597,810

THIS STATUTORY FUND IS REQUIRED IN TERMS OF NATIONAL HOUSING FUND REGULATIONS. THESE FUNDS CAN ONLY BE UTILISED TO RECOVER OUTSTANDING RENTALS, RENTAL/INSTALMENT SUBSIDIES, MAINTENANCE OF HOUSING STOCK AND TO CONSTRUCT NEW HOUSES.

2 NON-DISTRIBUTABLE RESERVES

CAPITAL RECEIPTS	72,142,397	67,593,835
- USED TO FINANCE PROPERTY, PLANT AND EQUIPMENT	46,154,904	28,235,662
- PLANTATIONS PER VALUATION	22,070,354	30,868,860
- UNUTILISED	3,917,139	8,489,313
TRANSFERS FROM ASSET FINANCING FUND USED TO FINANCE PROPERTY, PLANT AND EQUIPMENT	15,214,774	13,971,670
TOTAL NON-DISTRIBUTABLE RESERVES	87,357,171	81,565,505

MOVEMENTS CAN BE RECONCILED AS FOLLOWS:

UNUTILISED CAPITAL RECEIPTS

BALANCE AT BEGINNING OF YEAR	8,489,313	6,873,478
CURRENT YEAR RECEIPTS	17,967,891	6,296,140
TRANSFERS AND ADJUSTMENTS		
USED TO FINANCE CURRENT YEAR ADDITIONS	(22,540,065)	(4,680,305)
BALANCE AT THE END OF THE YEAR	3,917,139	8,489,313

THESE CAPITAL RECEIPTS REPRESENT GOVERNMENT GRANTS, SUBSIDIES AND CONTRIBUTIONS FROM THE PUBLIC AND CAN ONLY BE USED FOR THE PURPOSE OF ACQUIRING SPECIFIED PROPERTY, PLANT AND EQUIPMENT. THESE AMOUNTS ARE INVESTED UNTIL UTILISED FOR THE PURPOSE INTENDED. (SEE NOTE 9).

NOTES TO FINANCIAL STATEMENTS AT 30 JUNE 2005

	2005 R	2004 R
CAPITAL RECEIPTS (USED TO FINANCE PROPERTY, PLANT AND EQUIPMENT)		
BALANCE AT BEGINNING OF YEAR	28,235,662	25,359,126
USED TO FINANCE CURRENT YEAR ADDITIONS	22,540,065	4,680,305
ASSET WRITTEN OFF	(2,032,024)	(41,313)
TRANSFER TO INCOME STATEMENT TO OFFSET DEPRECIATION CHARGE	(2,588,799)	(1,762,456)
BALANCE AT THE END OF THE YEAR	<u>46,154,904</u>	<u>28,235,662</u>

THESE AMOUNTS REPRESENT PROPERTY, PLANT AND EQUIPMENT FINANCED BY GOVERNMENT GRANTS, SUBSIDIES AND CONTRIBUTIONS FROM THE PUBLIC. THE INTENTION OF THE BENEFACITOR OF THESE AMOUNTS IS TO SUBSIDISE THE COST OF ACQUIRING PROPERTY, PLANT AND EQUIPMENT. ACCORDINGLY THESE AMOUNTS ARE RELEASED TO THE INCOME STATEMENT OVER THE ESTIMATED USEFUL LIVES OF THE PROPERTY, PLANT AND EQUIPMENT SO FINANCED TO OFFSET THE RELEVANT DEPRECIATION CHARGE. THE BALANCE OF THE RESERVE IS TRANSFERRED TO THE INCOME STATEMENT WHEN THE FIXED ASSET SO FINANCED IS DISPOSED OF.

TRANSFERS FROM ASSET FINANCING FUND

BALANCE AT BEGINNING OF YEAR	13,971,670	13,938,304
USED TO FINANCE CURRENT YEAR ADDITIONS	4,506,032	2,104,583
ASSET WRITTEN OFF	(1,533,354)	
TRANSFER TO INCOME STATEMENT TO OFFSET DEPRECIATION CHARGE	(1,729,574)	(2,071,217)
BALANCE AT THE END OF THE YEAR	<u>15,214,774</u>	<u>13,971,670</u>

THESE AMOUNTS REPRESENT PROPERTY, PLANT AND EQUIPMENT FINANCED BY THE AFF. THESE AMOUNTS ARE RELEASED TO THE INCOME STATEMENT OVER THE ESTIMATED USEFUL LIVES OF THE PROPERTY, PLANT AND EQUIPMENT FINANCED FROM THIS SOURCE TO OFFSET THE DEPRECIATION CHARGE AND PREVENT DUPLICATION IN EXPENSES.

3 RESERVES

VALUATIONS	402,600	402,600
TOTAL	<u>402,600</u>	<u>402,600</u>

4 LONG TERM LIABILITIES

STOCK LOANS	0	
SUB TOTAL	<u>0</u>	<u>0</u>
LESS:		
CURRENT PORTION TRANSFERRED TO CURRENT LIABILITIES		
TOTAL	<u>0</u>	<u>0</u>

REFER TO APPENDIX "A" FOR MORE DETAIL

5 CONSUMER DEPOSITS

SERVICES	1,406,680	1,356,454
(GUARANTEES IN LIEU OF DEPOSITS AMOUNTED TO R 302210 (R 317210 IN 2004)		
TOTAL	<u>1,406,680</u>	<u>1,356,454</u>

NOTES TO FINANCIAL STATEMENTS AT 30 JUNE 2005

	2005 R	2004 R
6 PROPERTY, PLANT AND EQUIPMENT AT NET BOOK VALUE		
PROPERTY PLANT AND EQUIPMENT	61,418,946	42,272,215
PLANTATIONS	22,070,354	30,868,860
	<u>83,489,300</u>	<u>73,141,075</u>
<p>THE PLANTATIONS HAVE BEEN LEASED TO MESSRS MONDI FORESTS FOR A PERIOD OF 30 YEARS COMMENCING ON 1 OCTOBER 1987. IN ACCORDANCE WITH THE LEASE AGREEMENT, THE RENTAL PAYABLE IS ADJUSTED ANNUALLY BASED ON 90% OF THE INCREASE IN THE CONSUMER PRICE INDEX. DURING THE CURRENT YEAR THE RENTAL AMOUNTED TO R 1408005. THE AGREEMENT ALSO PROVIDES THAT THE LESSEE SHALL USE ITS BEST ENDEAVOURS TO FELL TIMBER IN A REASONABLE CYCLE IN ORDER TO ATTEMPT TO SECURE THAT WHEN THE LEASE EXPIRES, THE COUNCIL WILL RECEIVE THE PLANTATIONS IN A PROPER CYCLE WITH A REASONABLE SPREAD OF AGE CLASSES. THE TIMBER PLANTATIONS ARE REFLECTED AT THE ESTIMATED VALUE AS AT 31 JULY 2005 CALCULATED BY THE COUNCIL'S CONSULTANTS</p>		
REFER TO APPENDIX "B" FOR MORE DETAIL		
7 INVESTMENTS		
UNLISTED		
NOTICE DEPOSITS	44,349,894	34,641,119
	<u>44,349,894</u>	<u>34,641,119</u>
COUNCIL'S VALUATION OF UNLISTED INVESTMENTS		
NOTICE DEPOSITS	44,349,894	34,641,119
	<u>44,349,894</u>	<u>34,641,119</u>
ALLOCATION OF EXTERNAL INVESTMENTS		
IN TERMS OF LEGISLATION SURPLUS CASH IS INVESTED UNTIL USED FOR SPECIFIC PURPOSES. INVESTMENTS ARE ALLOCATED ON THE FOLLOWING BASIS		
HOUSING FUND	12,912,131	2,597,810
ASSET FINANCING FUND	10,431,503	10,937,535
UNUTILIZED CAPITAL RECEIPTS	3,917,139	8,489,313
RESERVES	402,600	402,600
OPERATING ACCOUNT	16,686,521	12,213,861
TOTAL	<u>44,349,894</u>	<u>34,641,119</u>
8 LONG TERM DEBTORS		
HOUSING LOANS	157,251	181,698
VEHICLE LOANS	114,182	205,511
LOANS TO SPORTS BODIES		3,673
LAND SALES	22,441	25,857
SUBTOTAL	<u>293,874</u>	<u>416,739</u>
LESS		
SHORT-TERM PORTION TRANSFERRED TO CURRENT ASSETS	<u>62,271</u>	<u>101,912</u>
TOTAL	<u>231,603</u>	<u>314,827</u>
<p>HOUSING AND LAND SALE LOANS THESE LOANS WERE GRANTED IN ACCORDANCE WITH THE NATIONAL HOUSING REGULATIONS. THE MONTHLY INSTALMENTS ARE SUBSIDISED IN TERMS OF PREVIOUS REGULATIONS.</p>		
<p>VEHICLE LOANS THESE LOANS ARE GRANTED TO STAFF AT SUBSIDISED INTEREST RATES. AN INTEREST RATE OF 8.5 PER CENT APPLIES TO STAFF WHO QUALIFY FOR THESE LOANS IN ACCORDANCE WITH THE COUNCIL'S VEHICLE LOAN SCHEME. LOANS GRANTED TO SECTION 57 EMPLOYEES ARE SUBJECT TO INTEREST BASED ON THE PRIME RATE CHARGED BY THE COUNCIL'S BANKERS</p>		
<p>LOANS TO SPORTS BODIES THESE SUBSIDISED LOANS WERE GRANTED BY THE COUNCIL TO SPORTS BODIES TO ASSIST IN FINANCING THE COST OF SPORTS FACILITIES</p>		

NOTES TO FINANCIAL STATEMENTS AT 30 JUNE 2005

	2005 R	2004 R
9 INVENTORY		
STOCK	559,709	510,887
TOTAL	559,709	510,887
STOCK IS NET OF PROVISIONS FOR OBSOLESCENCE AT THE ANNUAL STOCKTAKING, STOCK SHORTAGES AMOUNTING TO R 4913 WERE RECORDED. THESE SHORTAGES WERE REPORTED TO COUNCIL AND COUNCIL HAS SUBSEQUENTLY APPROVED THE WRITE - OFF THEREOF.		
10 CONSUMER DEBTORS		
SERVICE DEBTORS		
RATES	5,293,102	5,758,788
REFUSE REMOVAL	1,184,356	724,886
SEWERAGE	909,935	814,322
WATER	1,533,136	1,093,354
ELECTRICITY	1,669,584	1,374,489
SUNDRIES	1,472,522	1,229,964
SUB TOTAL	12,062,635	10,995,803
LESS		
PROVISION FOR BAD DEBT	6,585,330	6,050,591
TOTAL	5,477,305	4,945,212
THE AGEING OF DEBTORS IS AS FOLLOWS		
RATES		
CURRENT	323,583	325,918
30-60 DAYS	60,630	68,581
61-90 DAYS	61,818	73,067
91-120 DAYS	2,634,227	2,621,498
121 DAYS AND OLDER	2,212,845	2,669,724
TOTAL	5,293,103	5,758,788
SERVICES (WATER, SANITATION AND SUNDRY)		
CURRENT	1,231,024	1,173,824
30-60 DAYS	309,829	287,623
61-90 DAYS	268,610	202,106
91-120 DAYS	145,613	192,696
121 DAYS AND OLDER	4,814,456	3,380,866
TOTAL	6,769,532	5,237,015
BAD DEBT PROVISION THE BAD DEBT PROVISION IS CALCULATED ON THE AGEING OF DEBTORS. COUNCIL'S POLICY IS TO PROVIDE FOR ALL DEBTOR BALANCES WHICH ARE OUTSTANDING FOR 120 DAYS AND LONGER		
11 OTHER DEBTORS		
SHORT TERM LOANS	62,271	18,773
OTHER	998,916	808,360
TOTAL	1,061,187	827,133
12 CREDITORS		
TRADE CREDITORS	3,004,813	1,278,473
DEPOSITS: OTHER	61,821	81,921
RETENTION	1,361,726	148,943
AMOUNTS RECEIVED IN ADVANCE	359,915	354,806
OTHER	1,374,768	468,809
UNSPENT GRANTS	3,733,609	2,545,825
TOTAL	9,896,652	4,878,777

NOTES TO FINANCIAL STATEMENTS AT 30 JUNE 2005

	2005	2004
	R	R
13 ASSESSMENT RATES		
RESIDENTIAL	4,292,583	3,864,742
COMMERCIAL	3,297,318	3,065,222
STATE	825,184	788,859
OTHER	4,042	3,743
TOTAL	8,419,127	7,722,566
14 VALUATIONS		
RESIDENTIAL	33,794,578	34,288,578
COMMERCIAL	21,291,500	21,321,500
STATE	4,706,300	4,706,300
OTHER	494,722	494,722
TOTAL	60,287,100	60,811,100
15 NET SURPLUS(DEFICIT) FOR THE YEAR	(417,055)	449,176
The following has been taken into account in determining the net deficit for the year:		
DEPRECIATION		
FULLY OWNED PROPERTY, PLANT AND EQUIPMENT	4,329,832	3,836,666
TOTAL DEPRECIATION	4,329,832	3,836,666
COUNCILLORS' REMUNERATION		
MAYOR'S ALLOWANCE	125,764	119,307
DEPUTY MAYOR'S ALLOWANCE	50,905	96,387
SPEAKER'S ALLOWANCE	130,818	97,769
COUNCILLORS' ALLOWANCE(15 COUNCILLORS)	867,071	854,838
EXECUTIVE COMMITTEE'S ALLOWANCE(2 MEMBERS)	217,502	187,067
TOTAL COUNCILLORS' ALLOWANCES	1,392,060	1,355,368
MANAGERS REMUNERATION		
MUNICIPAL MANAGER	482 935	464 361
CHIEF FINANCIAL OFFICER	360 617	344 074
MANAGER ENGINEERING SERVICES	354 452	334 679
MANAGER CORPORATE SERVICES	354 452	334 679
	1 552 456	1 477 793
INVESTMENT INCOME		
INTEREST RECEIVED	2,855,933	2,901,316
RENTAL RECEIVED	2,028,610	2,030,357
TOTAL INVESTMENT INCOME	4,884,543	4,931,673
CONTRIBUTIONS TO PROVISIONS		
STAFF LEAVE	7,525	169,708
TOTAL CONTRIBUTION TO PROVISIONS	7,525	169,708
AUDITORS REMUNERATION		
FEES FOR AUDIT	360,669	358,669
EXPENSES		
PRIOR YEAR (OVER) / UNDER PROVISION		
TOTAL AUDITORS REMUNERATION	360,669	358,669
ABNORMAL EXPENSES		
TOTAL ABNORMAL EXPENSES	0	0

NOTES TO FINANCIAL STATEMENTS AT 30 JUNE 2005

	2005 R	2004 R
PROVINCIAL AND CENTRAL GOVERNMENT SUBSIDIES		
INTER-GOVERNMENTAL TRANSFERS	7,889,780	8,049,358
TOTAL PROVINCIAL AND CENTRAL GOVERNMENT SUBSIDIES	7,889,780	8,049,358
16 REVENUE		
ASSESSMENT RATES	8,419,127	7,722,566
REVENUE FROM TARIFFS AND SERVICE CHARGES	16,383,432	20,051,680
FINES	364,683	297,074
GOVERNMENT GRANTS AND SUBSIDIES	7,889,780	8,049,355
INTEREST	2,855,933	2,997,989
RENTAL INCOME	2,028,610	2,030,358
OTHER INCOME	1,360,305	538,047
TOTAL INCOME	39,301,870	41,687,069
17 TRANSFER FROM NON- DISTRIBUTABLE RESERVES		
TRANSFERS FROM CAPITAL RECEIPTS UTILISED TO FINANCE FIXED ASSETS	22,540,065	4,680,305
TRANSFERS FROM ASSET FINANCING FUND UTILISED TO FINANCE FIXED ASSET		
ADDITIONS (SEE NOTES 1 AND 2)	4,506,032	2,104,583
TOTAL OF TRANSFERS	27,046,097	6,784,888
18 CASH GENERATED FROM OPERATIONS		
NETT SURPLUS(DEFICIT) FOR THE YEAR	(417,055)	449,175
ADJUSTMENTS FOR :-		
PRIOR YEAR		41,312
DEPRECIATION	4,329,831	3,836,666
INVESTMENT INCOME	(2,776,580)	(2,901,316)
INTEREST PAID		29,733
HOUSING OPERATING ACCOUNT TRANSACTIONS	(10,913)	(7,917)
OPERATING SURPLUS(DEFICIT) BEFORE WORKING CAPITAL CHANGES	1,125,283	1,447,653
(INCREASE) IN DEBTORS	(778,713)	(572,090)
INCREASE IN CREDITORS	5,017,875	1,730,803
(INCREASE) IN INVENTORIES	(48,822)	155,467
INCREASE IN PROVISIONS	7,526	169,724
CASH GENERATED BY OPERATIONS	5,323,149	2,931,557
19 CASH AND CASH EQUIVALENTS		
BALANCE AT END OF YEAR	44,031,914	34,661,175
BALANCE AT BEGINNING OF YEAR	34,661,175	29,602,341
NET INCREASE IN CASH AND CASH EQUIVALENTS	9,370,739	5,058,834
20 CAPITAL COMMITMENTS		
COMMITMENTS IN RESPECT OF CAPITAL EXPENDITURE		
APPROVED AND CONTRACTED FOR	4,249,000	
APPROVED BUT NOT YET CONTRACTED FOR	23,552,888	26,489,703
TOTAL CAPITAL COMMITMENTS	27,801,888	26,489,703
THIS EXPENDITURE WILL BE FINANCED FROM:		
INTERNAL SOURCES	6,027,500	6,039,565
EXTERNAL SOURCES	21,774,388	20,450,138
TOTAL OF FINANCE SOURCES	27,801,888	26,489,703

NOTES TO FINANCIAL STATEMENTS AT 30 JUNE 2005

	2005 R	2004 R
21 CONTINGENT LIABILITIES		
PUBLIC LIABILITY CLAIM - MONDI HAVE SUBMITTED A CLAIM IN RESPECT OF DAMAGES CAUSED TO ITS PLANTATIONS WHICH IT IS ALLEGED AROSE AS A RESULT OF AN UNCONTROLLED FIRE AT THE COUNCIL'S GARDEN REFUSE SITE.	800,000	800,000
	<u>800,000</u>	<u>800,000</u>
22 EXTERNAL FINANCING FUND		
External loans received (see note 4)		0
Used to finance property, plant and equipment		0
Sub - total	0	0
Cash set aside for the repayment of loans		0
Cash invested (see note 7)		0
23 INTEREST ON EXTERNAL INVESTMENTS		
Allocated to		
- operating account	2,497,295	2,703,908
- housing development account	279,285	197,408
- external financing fund	<u>2,776,580</u>	<u>2,901,316</u>
24 TRANSFERS TO ASSET FINANCING FUND		
Contribution	<u>4,000,000</u>	<u>5,000,000</u>
	<u>4,000,000</u>	<u>5,000,000</u>
This contribution is determined according to the financing requirements identified in the Council's Integrated Development Plan. It is the Council's policy to transfer interest income on the Fund's unutilised cash to revenue.		
25 ACCUMULATED SURPLUS		
Balance at the beginning of the year	11,611,570	12,134,029
Asset write off	(4,155)	
Prior year adjustments		41,311
Net surplus(deficit) after appropriations	<u>(377,967)</u>	<u>(563,770)</u>
Accumulated surplus at year end	<u>11,229,448</u>	<u>11,611,570</u>
26 PROVISIONS		
Leave Pay	1,057,585	1,050,059
	<u>1,057,585</u>	<u>1,050,059</u>

The leave provision represents the value of accumulated leave due to the Council's employees and includes an amount due to the Financial Manager for ordinary vacation leave as well as additional days of work undertaken.

APPENDIX A

SCHEDULE OF LONG TERM LIABILITIES

EXTERNAL LOANS	REDEEMABLE	BALANCE AT	RECEIVED	REDEEMED	BALANCE
		2004/06/30	2004/2005	2004/2005	2004/06/30
SHORT TERM LOANS		0	0	0	0
STOCK LOANS		0	0	0	0
		0	0	0	0

APPENDIX B
ANALYSIS OF PROPERTY PLANT AND EQUIPMENT

COST					ACCUMULATED DEPRECIATION			
DESCRIPTION	OPENING BALANCE	ADDITIONS	DISPOSALS	CLOSING BALANCE	OPENING BALANCE	ADDITIONS	DISPOSALS	CLOSING BALANCE
Land	43,620,578	1,920,692	8,798,506	36,742,764		15,561		15,561
Survey fees	109,491			109,491	40,624	3,649		44,273
Professional Fees	4,230	39,200	4,230	39,200	71	1,040	71	1,040
Security measures	1,963,598	19,450	208,521	1,774,527	1,715,312	45,484	111,433	1,649,363
Buildings	16,281,727	2,550,540	1,489,311	17,342,956	9,270,294	410,922	558,001	9,123,215
Air conditioners	126,114	47,570		173,684	85,519	10,546		96,065
Construction works	27,407,690	20,971,297	390,747	47,988,240	16,026,864	2,567,563	128,825	18,465,602
Sewer reticulation	4,455,507		4,455,507	0	3,752,396		3,752,396	0
Electricity reticulation	16,389,468	838,602	2,031	17,226,039	10,574,865	449,564	2,031	11,022,398
Water reticulation	6,900,476		6,805,052	95,424	5,425,250	3,752	5,353,409	75,593
Robots	107,994			107,994	107,994			107,994
Streetlights	95,266	61,266		156,531	7,638	5,414		13,052
Furniture	1,050,178	87,513	4,347	1,133,344	493,678	78,754	4,045	568,387
Office machines	2,250,959	379,605	32	2,630,532	1,198,797	342,037	32	1,540,802
Tools	1,450,110	57,164	79,167	1,428,107	1,136,812	195,338	79,166	1,252,983
Machinery	1,113,382	40,963	618,263	536,082	884,058	72,919	536,717	420,260
Vehicles and equipment	1,750,229		96,697	1,653,532	1,252,604	115,125	58,246	1,309,483
Radios	172,783	32,235	2,100	202,918	135,929	12,165	2,100	145,994
Museum exhibits	257			257	257			257
	125,250,037	27,046,097	22,954,512	129,341,622	52,108,962	4,329,831	10,586,471	45,852,322

APPENDIX C

SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT

2004 Expenditure (Net book value)		Balance at 2004/06/30	2005 Expenditure (Net book value)	2005 Disposals (Net book value)	2005 Balance at 2005/06/30 (Net book value)
6237833	RATE AND GENERAL SERVICES	32,551,319	26,082,979	4,818,240	53,816,057
4142440	Community Services	13,102,208	21,747,980	2,995,728	31,854,458
25693	Manager Engineering - administration	82,379	17,205	13,394	86,190
	Handyman Section	1,879		634	1,245
29640	Mechanical Workshop	28,479		10,370	18,108
246434	Cemetery	324,436	555,326	23,993	855,770
25255	Municipal Manager	60,785	9,126	19,747	50,165
23095	Clinic - Pine Street	314,982	4,867	36,012	283,837
59382	Council General	136,352	49,070	36,956	148,466
	Records	77,091	129,872	30,064	176,900
1195	Health Administration	22,364		6,680	15,684
3286723	Public Works	10,760,254	20,865,421	2,523,094	29,102,581
227231	Corporate Services	273,355	13,142	58,438	228,059
23291	Financial Manager - administration	510,867	28,199	145,779	393,287
13644	Financial Manager - stores and buying	31,891	4,320	4,617	31,595
0	Botanical Garden	0			0
66051	Planning	101,657	35,505	22,488	114,675
69934	Customer Relations	69,644	12,959	3,794	78,808
	Ukuthula Clinic	148,880	22,437	27,360	143,957
44872	Mayors Office	156,910	530	32,309	125,132
1544458	Subsidised Services	17,227,391	3,908,922	653,203	20,484,110
857590	Civic buildings	1,385,674	1,864,266	185,813	3,064,126
	Civil defence	320		29	291
	Council Housing	363,024		22,645	340,379
367795	Estates	12,675,100	1,519,987	101,907	14,093,180
	Fire brigade	22,492		3,183	19,309
	Civic hall	60,989		3,328	57,661
	Lake Menthley resort	177,142		15,360	161,781
4777	Library	368,107	113,741	46,599	435,249
	Museum	33,408	78,515	8,896	103,027
	Parks and gardens	442,786		18,889	423,897
	Swimming bath	5,575		366	5,209
	Town hall	367,475	208,900	24,960	551,416
106710	Protection services	390,474	88,190	150,225	328,440
65093	Parks and gardens	58,730	36,323	15,368	79,685
	Hostel	464,666		32,718	431,948
142493	Khomba road hall	344,481		18,406	326,075
	Maphanga road hall	66,948		4,511	62,437
550835	Economic Services	2,221,722	425,077	1,189,310	1,477,490
66283	Refuse removal	1,126,923	24,372	105,390	1,045,906
101400	Sewerage purification	87,582		87,582	0
	Street sweepers	680		132	549
12943	Motor vehicle testing and licensing	11,746	400,705	19,069	393,382
370309	Sewerage reticulation	953,044		953,044	0
	Motor vehicle licensing	41,747		4,094	37,653
814931	TRADING SERVICES	39,626,892	963,119	11,879,633	28,710,378
589180	Electricity	6,182,664	963,119	548,057	6,597,726
	Farms	30,915,320		8,802,667	22,112,653
25751	Water	2,528,909		2,528,909	0
0	HOUSING SERVICE	962,864	0	0	962,864
		962,864			962,864
6852764	TOTAL	73,141,076	27,048,097	16,697,873	83,489,300

APPENDIX D

ANALYSIS OF OPERATING INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2005

ACTUAL 2004		ACTUAL 2005	BUDGET 2005
INCOME			
8,049,358	GOVERNMENT AND PROVINCIAL GRANTS AND SUBSIDIES	7,889,780	10,334,000
7,722,566	RATES INCOME	8,419,127	8,448,300
10,650,003	SALE OF ELECTRICITY	11,316,132	11,138,500
3,016,770	SALE OF WATER		
12,248,372	OTHER INCOME	11,676,831	9,068,210
41,687,069	TOTAL INCOME	39,301,870	38,989,010
EXPENDITURE			
16,276,751	EMPLOYMENT COSTS	17,230,086	18,880,765
21,649,604	GENERAL EXPENSES	20,995,671	23,993,010
6,952,544	BULK PURCHASES: ELECTRICITY	7,339,183	7,350,000
14,697,060	OTHER	13,656,488	16,643,010
3,626,989	REPAIRS AND MAINTENANCE	2,345,924	2,762,570
29,733	CAPITAL CHARGES		-
3,023,843	CONTRIBUTIONS	783,427	502,332
3,836,666	PROVISION FOR DEPRECIATION	4,329,832	4,557,780
48,443,586	SUB TOTAL EXPENDITURE	45,684,940	50,696,457
(7,205,692)	AMOUNTS ALLOCATED ELSEWHERE	(5,966,015)	(6,183,609)
41,237,894	TOTAL EXPENDITURE	39,718,925	44,512,848

APPENDIX E

SEGMENTAL INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2005

Actual Income 2004 R	Actual Expenditure 2004 R	Surplus/ (Deficit) 2004 R		Actual Income 2005 R	Actual Expenditure 2005 R	Surplus/ (Deficit) 2005 R
26,174,085	26,583,237	-409,153	Rates and General Services	25,996,760	27,922,695	-1,925,935
19,571,545	15,185,426	4,386,119	Community Services:	20,879,962	17,202,607	3,677,355
7,822,566	149,691	7,672,875	Assessment Rates	8,419,126	212,829	8,206,297
285,919	285,919		Agency projects			
16,921	233,962	(217,070)	B E-Administration	20,140	491,648	(471,508)
	(814)	814	Drivers & Operators- C C		(850)	850
	6,914	(6,914)	Handyman's Section- C C		(3130)	3,130
	188,358	(188,358)	Mechanical Workshop- C C		(5742)	5,742
	20,903	(20,903)	Public Works Branch		667	(667)
571,095	676,445	(105,350)	Clinic	571,414	910,540	(339,126)
1,470	5,569,438	(5,567,968)	Council General Expenses	51,740	5,266,361	(5,214,611)
	107,380	(107,380)	Duplicating Machine		(60847)	60,847
	363,330	(363,330)	Municipal Manager		757,972	(757,972)
17,600	444,091	(426,491)	Health Department-Administration	8,800	478,359	(469,559)
40,000	269,470	(229,470)	Services Rural Areas	571,162	663,699	(92,477)
79,370	2,227,359	(2,147,988)	Public Works	63,233	3,365,741	(3,302,508)
16,742	763,399	(746,658)	Administration	55,403	1,254,330	(1,198,927)
4,149,862	1,427,138	2,722,724	Town Treasurer-Administration	4,510,274	1,721,545	2,788,729
	159,011	(159,011)	T T - Stores & Buying		185,873	(185,873)
	9,585	(9,585)	Botanical Garden		11,274	(11,274)
250,000	1,058,372	(808,372)	Planning	250,000	1,167,016	(917,016)
50,000	260,132	(260,132)	Mayors office		219,897	(219,897)
	32,963	17,037	Integrated Development Plan		73,398	(73,398)
	568,429	(568,429)	Performance Management	78,256		78,256
	290	(290)	Local Economic Development	100,000	97,185	2,815
270,000	365,630	(95,630)	Customer Relations Centre		151,670	(151,670)
6,000,000		6,000,000	Enthlalekhe Clinic	146,989	243,242	(96,253)
			Inter Authority Grant	6,033,425		6,033,425
1,077,296	5,472,959	(4,395,663)	Subsidiary Services	1,119,080	6,181,186	(5,062,106)
23,360	68,903	(45,543)	Cemetery	39,828	90,985	(51,157)
	105,528	(105,528)	Civic Buildings		283,127	(283,127)
40,707	31,219	(9,488)	Civic Defence		39,547	(39,547)
35,532	146,682	(111,150)	Council Housing	91,842	90,687	1,155
	110,514	(74,982)	Estate	41,423	103,540	(62,117)
	609,365	(609,365)	Fire Brigade		764,191	(764,191)
	5,455		Civic Hall		6,964	(6,964)
14,189	226,762	(212,572)	Lake Merthley Resort	35,875	207,850	(171,975)
	6,220	(3,905)	Library - Rabindranath Tagore		2,406	(2,406)
35,315	518,345	(483,030)	Library - Theodora Merthe	37,599	559,843	(522,244)
500		500	Licensing	800		800
61,000	158,319	(97,319)	Museum	55,000	163,676	(108,676)
	35,491		Parks & Gardens		19,105	(19,105)
	7,332	(7,332)	Swimming Bath- K E Park		2,131	(2,131)
13,155	91,704	(78,549)	Town Hall	13,883	85,936	(72,053)
328,585	1,252,266	(923,671)	Protection Services	388,687	1,338,208	(949,521)
	1,513,930	(1,513,930)	Parks & Gardens		1,915,834	(1,915,834)
	5,474	(5,474)	Handley Pool & Leisure Ground		3,407	(3,407)
509,785	623,115	(113,330)	Enthlalekhe Hostel	397,515	410,898	(13,383)
11,897	8,400	3,498	Enthlalekhe-Housing	11,763	16,901	(5,138)
3,270	29,299	(26,029)	Khombi Road Hall	4,865	38,116	(33,251)
	7,675	(7,675)	Maphanga Road Hall		9,809	(9,809)
	9,552	(9,552)	Kombe Road Offices		5,659	(5,659)
	1,440	(1,440)	Soccer Stadium		2,466	(2,466)
5,525,244	5,924,852	(399,608)	Economic Services	3,997,718	4,558,902	(561,184)
2,591,448	49,562	(49,562)	Nightsoil & Public Conv.		17,393	(17,393)
	2,806,042	(214,594)	Refuse Removal	2,757,821	3,399,683	(641,862)
	836,091	(836,091)	Sewerage Purification			
	510,298	(510,298)	Street Sweepers		405,450	(405,450)
599,809	480,358	119,451	Motor Veh. Testing & Drivers Licensing	816,517	531,268	285,249
1,915,444	694,540	1,220,904	Sewerage Reticulation			
418,543	318,608	(318,608)	Sewerage - Administration	423,380	205,108	218,272
	229,353	189,180	Motor Vehicle Licensing			
1,409	826	583	Housing Service	4,976	1,251	3,725
1,409	826	583	Assisted Housing Scheme	4,976	1,251	3,725
15,511,577	14,653,831	857,746	Trading Services	13,300,134	11,794,979	1,505,155
11,076,891	11,766,426	(690,535)	Electricity Distribution	11,865,582	11,778,513	87,069
1,406,005	5,200	1,400,805	Farms Environment	1,434,552	16,456	1,418,096
3,029,681	2,882,205	147,476	Water - Distribution			
41,687,070	41,237,894	449,176	TOTAL	39,301,870	38,718,925	582,945